

News Release



Controller of the State of California - Kathleen Connell

300 Capitol Mall, Suite 1850
Sacramento, California 95814

Contact: Lisa Casalegno, Stacey Ragland (916) 445-3028

For Immediate Release

STATE CONTROLLER KATHLEEN CONNELL DISCUSSES RETIREMENT AND THE ECONOMY AT QUARTERLY CONFERENCE

Los Angeles, CA, October 4, 2001 – State Controller Kathleen Connell today hosted her Quarterly Conference at the University of California, Irvine, unveiling her recent edition of the Controller's Quarterly, "Retirement in California." The report and the conference focused on the challenges of retirement facing Californians today.

"We have now, probably, the most pressing policy issue ever in California and that is the retirement of the baby boomers, and no one is talking about it," Connell said. "We need to pull together to find a solution."

The Controller gathered expert authors and speakers to discuss issues concerning social security, health care, long-term care and the economy. The Controller provided a look at California's economy explaining that economic slowdown, the energy crisis and the recent terrorist attacks are all having an impact. "California is facing a rough and significant decline in revenues," stated Connell. "However, it is not anything that is catastrophic. It is important that we do not create a climate of fear." The Controller stated that California's economy is now in a recession, but is expected to begin its recovery in the early months of next year. "We're going to see an increase in manufacturing and federal dollars spent on defense, and in California we are in a position to benefit from that," said Connell.

Dr. Peter Navarro, Associate Professor, UC Irvine, said these economic uncertainties will affect Social Security and most likely put an end to all talk of privatization. "Social Security could be yet another casualty of one of the worst events in history," said Navarro.

California is facing a unique challenge due to the upcoming retirement of baby boomers, which will leave State government searching to replace this valuable sector of the workforce. "The baby boomers are perhaps the most educated generation ever and the generations to follow do not have the same skills," said Dr. Nancy Bolton, demographics expert.

Suzanne Miller, Managing Director of Public Affairs, AARP, shared some insights from the organization's recent national study, including many statistics having to do with the situation of women in retirement. "Social Security is more critical to women's financial well-being than to that of men," Miller said. "Without Social Security, women are more likely to end up in poverty."

Finally, Annette Wimmer, health care consultant, talked about the importance of policy decisions on long-term care. "It is in the public interest of the United States to encourage long-term care, but we have failed to do so for fiscal reasons," said Wimmer.

Following the presentation, the speakers engaged in a discussion with the audience, which was made up of individuals, financial planners, retirement board members, retirees and policy makers.

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To view the Controller's Quarterly: Retirement in California in its entirety, please visit our web site at www.sco.ca.gov.